

Report to Civic Works Committee

To: Chair and Members
Civic Works Committee

From: Kelly Scherr, P.Eng., MBA, FEC
Deputy City Manager, Environment & Infrastructure

Subject: Contract Award: Tender RFT 21-88
Tender Award for Dingman Creek Southwinds (Tributary 12)
Natural Channel Reconstruction and Flood Mitigation

Date: August 31, 2021

Recommendation

That, on the recommendation of the Deputy City Manager, Environment & Infrastructure, the following actions be taken with respect to the award of contract for the Dingman Creek Southwinds Channel (Tributary 12) Reconstruction and Multiuse Pathway.

- (a) the bid submitted by J-AAR Excavating Limited at its tendered price of, \$4,069,026.25 including 10% contingency, excluding HST, for the Dingman Creek Southwinds Channel (Tributary 12) Reconstruction and Multiuse Pathway Project, **BE ACCEPTED**; it being noted that the bid submitted by J-AAR Excavating Limited was the lowest of two bids received and meets the City's specifications and requirements in all areas;
- (b) Ecosystem Recovery Inc. **BE APPROVED** for additional construction administration fee of \$74,046.50, including 10% contingency, excluding HST, in accordance with Section 15.2(g) of the City of London's Procurement of Goods and Services Policy;
- (c) the financing for this project **BE APPROVED** in accordance with Section 8.1(a) of the City of London's Procurement of Goods and Services Policy, and as set out in the Sources of Financing Report attached, hereto, as Appendix A;
- (d) that Civic Administration **INITIATE** a Zoning By-law amendment following the completion of this project to update the limits of the Open Space (OS) Zones to reflect the limits of the Regulatory Floodplain Limits as identified in as-built construction drawings;
- (e) the approval given, herein, **BE CONDITIONAL** upon the Corporation entering into a formal contract, or issuing a purchase order for the material to be supplied and the work to be done, relating to this project (Tender RFT21-88); and,
- (f) the Mayor and City Clerk **BE AUTHORIZED** to execute any contract or other documents, if required, to give effect to these recommendations.

Executive Summary

Purpose

This report seeks approval to award the construction contract to J-AAR Excavating Limited to complete the construction of the Dingman Creek Southwinds Channel (Tributary 12) Reconstruction and Multiuse Pathway Construction project.

Context

The "Dingman Creek Subwatershed: Stormwater Servicing Strategy for Stage 1 Lands – Schedule B Municipal Class Environmental Assessment" (Dingman Creek EA) (Aquafor Beech, 2020) identified Southwinds Channel (Tributary 12) to be susceptible to flooding under existing and future development conditions.

This channel reconstruction project involves lowering and widening the main flow channel, upsizing the flow capacity of culverts at Malpass Road and Isaac Court, and incorporating natural channel design elements to enhance the natural setting and increase new habitat opportunities. The design considered future culvert sizing at Colonel Talbot Road that can be completed as part of the upgrades scheduled for 2023. A multiuse pathway is included in the project as recommended in the City of London Master Cycling Plan (MMM, 2016).

Linkage to the Corporate Strategic Plan

This project supports the 2019-2023 Strategic Plan through the following: Building a Sustainable City, Build infrastructure to support future development and protect the environment.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

- Civic Works Committee – September 22, 2020 – Appointment of Consulting Engineer for Detailed Design and Contract Administration Services: Dingman Creek Stage 1 Lands (Tributary 12, Municipal Channel Improvements)
- Civic Works Committee – February 4, 2020 –Dingman Creek Subwatershed: Stormwater Servicing Strategy for Stage 1 Lands Municipal Class Environmental Assessment: Notice of Completion

2.0 Discussion and Considerations

2.1 Work Description

The Dingman Creek Southwinds Channel (Tributary 12) design process included assessing current flow conditions and flood remediation, opportunities to enhance the natural environment, and creation of pathway connections through the open space lands. Natural channel design principles, which integrate best practices in engineering, geomorphology, and ecology, have informed the channel design to create a naturalized and stable channel corridor. Increasing the flow capacity of this system will significantly reduce the potential flood frequency at road crossings and on private lands as well as facilitate future development in the catchment area to the east side of Colonel Talbot Road. The upstream future development lands will include a 'complete corridor design' that incorporates stormwater management, enhanced natural heritage elements, and recreational pathways to enhance walkability and the public amenity space.

2.2 Environmental Considerations

An Environmental Impact Study (EIS) was completed as part of the background assessment for the design of the project and an Environmental Management Plan (EMP) was developed to incorporate the findings of the EIS into the channel design. Some of the mitigation and compensation design includes invasive species removal, increased monarch butterfly habitat, installation of bat boxes, and construction of a snake hibernaculum. The natural channel design elements include series of riffles and pool throughout the reach to improve fish passage and habitat.

While making every effort to preserve trees on the project, the Tree Assessment determined that it was not possible to meet the objectives of the channel design and retain the majority of trees. Significant tree removals are planned to take place this

September prior to commencing channel construction. Tree removals will include both native and cultivated tree species, including Scot’s pine, white cedar, willow, and maple species. Large trees removed will be re-used on-site as part natural channel design elements. Residents were informed that the channel area will likely appear stark in the short-term but will be replanted with native tree, shrub, and grass species to ensure full restoration of the natural environment in the medium to long-term.

2.3 Public Notification

A project notice was issued to nearby residents in May 2021. The notice informed residents that they will likely experience elevated levels of noise, dust, and general disruption during construction. Impacts to the enjoyment of outdoor spaces, particularly backyards along the channel corridor are anticipated. This project has been planned to commence in September in the City’s best efforts to avoid disruption to backyards during the summer. A pre-recorded presentation will be available on the City’s Park’s website and the ‘get-involved’ website. A second notice letter will be issued to nearby residents at least two weeks in advance of construction.

3.0 Financial Impact/Considerations

3.1 Tender Summary

Tenders for the Southwinds Channel (Tributary 12) Reconstruction and Multiuse Pathway Project were issued on July 20, 2021 and closed on August 11, 2021. Two contractors submitted tender prices as listed below, including 10% contingency, excluding HST.

Contractor	Company Name	Tender Price Submitted
1	J-AAR Excavating Limited	\$4,069,026.25
2	L82 Construction Ltd	\$5,930,709.59

All tenders have been checked by Environment and Infrastructure and Ecosystem Recovery Inc. No mathematical errors were found. The results of the tendering process indicate a competitive process. The tender estimate just prior to tender opening was \$4.63M, excluding HST.

3.2 Financial Implications

A portion of this project (13%) is funded by Development Charges as the project will help to facilitate future neighbourhood growth of approximately 116 hectares. The current available budget for this project \$3.58M. This project is approximately \$600,000 over the original budget due to the need to replace two existing culverts and increased consultant fees. The detailed design process recommended the replacement of the culverts to increase flow capacity and in consideration of the age/condition of the pipes. Therefore, additional budget has been added to the account to proceed with the project.

3.3 Next Steps

Construction is expected to begin at the end of September 2021 and is anticipated to be substantially completed in January 2022. Restoration and landscaping will take place in Spring 2022.

A figure highlighting the major components of the overall improvements is included as Appendix ‘B’ “Location Map”.

Conclusion

The Dingman Creek Southwinds Channel (Tributary 12) Reconstruction and Multiuse Pathway includes construction of reconstructed conveyance channel from the Malpass Road upstream to the west side of Colonel Talbot Road including full restoration, new habitat features, tree planting, and wetland augmentations. At this time, it is recommended that J-AAR Excavating Limited be awarded the construction contract for this project.

Prepared by: **Shawna Chambers, P.Eng., DPA, Division Manager
Stormwater Engineering**

Submitted by: **Scott Mathers, MPA, P. Eng., Director, Water,
Wastewater and Storm Water**

Recommended by: **Kelly Scherr, P. Eng., MBA, FEC
Deputy City Manager, Environment & Infrastructure**

Attachments: Appendix 'A' – Sources of Financing
Appendix 'B' – Location Map

CC: Steve Mollen
Gary McDonald
Alan Dunbar
Jason Davies
Jason Senese
Adrienne Sones
Chris Moon – Ecosystem Recovery Inc

Appendix "A"

#21151
August 31, 2021
(Award Contract)

Chair and Members
Civic Works Committee

RE: RFT21-88 Dingman Creek Southwinds (Tributary 12) Natural Channel Reconstruction and Flood Mitigation
(Subledger SWM20006)
Capital Project ESSWMNLT12 - SWM Facility - North Lambeth Tributary 12 Downstream Channel Reconstruction
Capital Project PD204318 - New Major Open Space Network
J-AAR Excavating Limited - \$4,069,026.25 (excluding HST)
Ecosystem Recovery Inc. - \$74,046.50 (excluding HST)

Finance Supports Report on the Sources of Financing:

Finance and Corporate Services confirms that the cost of this project cannot be accommodated within the financing available for it in the Capital Budget but can be accommodated with development charge funding and a drawdown from the Sewage Works Renewal Reserve Fund and that, subject to the adoption of the recommendations of the Deputy City Manager, Environment and Infrastructure, the detailed source of financing for this project is:

Estimated Expenditures	Approved Budget	Additional Funding Requirement	Revised Budget	Committed To Date	This Submission	Balance for Future Work
ESSWMNLT12 - SWM Facility - North Lambeth Tributary 12 Downstream Channel Reconstruction						
Engineering	228,353	75,350	303,703	228,353	75,350	0
Construction	3,378,247	562,394	3,940,641	0	3,940,641	0
ESSWMNLT12 - Total	3,606,600	637,744	4,244,344	228,353	4,015,991	0
PD204318 - New Major Open Space Network						
Engineering	192,170	0	192,170	0	0	192,170
Construction	804,233	0	804,233	135,362	200,000	468,871
PD204318 - Total	996,403	0	996,403	135,362	200,000	661,041
Total Expenditures	\$4,603,003	\$637,744	\$5,240,747	\$363,715	\$4,215,991	\$661,041

Sources of Financing

ESSWMNLT12 - SWM Facility - North Lambeth Tributary 12 Downstream Channel Reconstruction						
Drawdown from Sewage Works Renewal Reserve Fund	3,137,742	0	3,137,742	198,667	2,939,075	0
Additional drawdown from Sewage Works Renewal Reserve Fund (Note 2)	0	554,837	554,837	0	554,837	0
Drawdown from City Services - Stormwater Reserve Fund (Development Charges) (Note 1)	468,858	0	468,858	29,686	439,172	0
Additional drawdown from City Services - Stormwater Reserve Fund (Development Charges) (Note 1 and 3)	0	82,907	82,907	0	82,907	0
ESSWMNLT12 - Total	3,606,600	637,744	4,244,344	228,353	4,015,991	0
PD204318 - New Major Open Space Network						
Capital Levy	36,000	0	36,000	36,000	0	0
Debenture Quota (Note 4)	389,242	0	389,242	21,770	85,355	282,117
Drawdown from City Services - Parks and Recreation Reserve Fund (Development Charges) (Note 1)	571,161	0	571,161	77,592	114,645	378,924
PD204318 - Total	996,403	0	996,403	135,362	200,000	661,041
Total Financing	\$4,603,003	\$637,744	\$5,240,747	\$363,715	\$4,215,991	\$661,041

Appendix "A"

#21151

August 31, 2021
(Award Contract)

Chair and Members
Civic Works Committee

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(Subledger SWM20006)
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Ecosystem Recovery Inc. - \$74,046.50 (excluding HST)

Financial Note: J-AAR - Construction	ESSWMNLT12	PD204318	Total
Contract Price	\$3,872,485	\$196,541	\$4,069,026
Add: HST @13%	503,423	25,550	528,973
Total Contract Price Including Taxes	4,375,908	222,091	4,597,999
Less: HST Rebate	-435,267	-22,091	-457,358
Net Contract Price	<u>\$3,940,641</u>	<u>\$200,000</u>	<u>\$4,140,641</u>

Financial Note: Ecosystem - Engineering	ESSWMNLT12
Contract Price	\$74,047
Add: HST @13%	9,626
Total Contract Price Including Taxes	83,673
Less: HST Rebate	-8,323
Net Contract Price	<u>\$75,350</u>

Total Construction and Engineering **\$4,215,991**

Note 1: Development charges have been utilized in accordance with the underlying legislation and the approved 2019 Development Charges Background Study and the 2021 Development Charges Background Study Update.

Note 2: The additional funding requirement for this project is available as a drawdown from Sewage Works Renewal Reserve Fund. The uncommitted balance in the reserve fund will be approximately \$43.5 million with the approval of the project.

Note 3: The additional funding requirement for this project is available as a drawdown from City Services - Stormwater Reserve Fund. The uncommitted balance in the reserve fund will be approximately \$4.0 million with the approval of the project.

Note 4: Note to City Clerk: Administration hereby certifies that the estimated amounts payable in respect of this project does not exceed the annual financial debt and obligation limit for the Municipality from the Ministry of Municipal Affairs in accordance with the provisions of Ontario Regulation 403/02 made under the Municipal Act, and accordingly the City Clerk is hereby requested to prepare and introduce the necessary by-laws.

An authorizing by-law should be drafted to secure debenture financing for project PD204318 - New Major Open Space Network for the net amount to be debentured of \$389,242.00.

Kyle Murray
Director, Financial Planning & Business Support

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Appendix 'B': Location Map

